



Roll no.....

End Semester Examination, December 2024

Program- BBA/B. Com (H)/ B. Com P – Vth Semester

Course Title- Banking and Insurance Management (COURSE CODE-SMMC325A)

Time: 2.5 hrs.

Max Marks: **50**

Note: *All Questions are compulsory. Marks are indicated against each question.*

PART-A

Q.1 **Attempt any five questions. These questions carrying two marks for each.**

- (a) Explain the role of the Reserve Bank of India (RBI) in the Indian banking system. [CO-1] [L-2] **2**
 - (b) Differentiate between commercial banks and central banks in terms of their functions. [CO-1] [L-2] **2**
 - (c) What is the process of credit creation, and what are its limitations? [CO-1] [L-2] **2**
 - (d) Define Non-Performing Assets (NPAs) and explain their impact on a bank's balance sheet. [CO-1] [L-2] **2**
 - (e) What are the principles of cooperation and utmost good faith in insurance? How are they significant [CO-1] [L-2] **2**
 - (f) Briefly describe the concept of subrogation in general insurance. [CO-1] [L-2] **2**
 - (g) Explain the role of IRDAI in the regulation of insurance in India. [CO-1] [L-2] **2**
- 2x5**

PART-B

- Q.2 Describe the concept of credit creation in banks and discuss its importance in economic growth. How does risk management play a role in this process? [CO-2] [L-3] **10**

OR

Explain the structure of a typical insurance policy and discuss the role of risk management in structuring insurance policies. Provide an example to illustrate your answer. [CO-2] [L-3] **10**

- Q.3 Discuss the impact of digital banking and the rise of Neo Banks on the traditional banking system in India. How are NBFCs and microfinance organizations contributing to financial inclusion? [CO-3] [L-4] **10**

OR

Analyze the factors that affect premium determination in general insurance policies, such as motor vehicle insurance and health insurance. Provide examples to support your answer. [CO-3] [L-4] **10**

- Q.4 Explain the services offered by commercial banks and the key risks they face in India. Discuss strategies used by banks to manage these risks. [CO-4] [L-4] **10**

OR

Discuss the various types of risks faced by insurance companies in India, such as underwriting risk and operational risk. How do insurance companies manage these risks? [CO-4] [L-4] **10**

- Q.5 Evaluate the effectiveness of the RBI's Monetary Policy in regulating credit and controlling inflation in India. How does it impact the banking sector? [CO-5] [L-5] **10**

OR

Assess the role of the Banking Ombudsman Scheme and IRDA regulations in protecting consumers' rights. How effective are these frameworks in addressing grievances and ensuring fairness? [CO-5] [L-5] **10**